

Chair Carolyn Maloney House Oversight and Reform Committee 2308 Rayburn House Office Building Washington, DC 20515 Ranking Member James Comer House Oversight and Reform Committee 2410 Rayburn House Office Building Washington, DC 20515

Dear Chair Maloney and Ranking Member Comer:

Thank you for your leadership to truly address prescription drug prices via the *Unsustainable Drug Prices* hearings. We greatly appreciate your persistence in adding a Part III hearing featuring AbbVie CEO Richard Gonzalez.

At Families USA, our vision is a nation where the best health and health care are equally accessible and affordable to all. As the committee well knows, access to affordable medicines remains elusive for so many families in our nation. Incredibly, nearly three in ten adults – approximately 80 million people – have not taken required medicine due to its costs. And, more than one in five forgo essential medications altogether because they can't afford to fill their prescription.

Congress created this problem by giving pharmaceutical companies the monopolies that they abuse; and ultimately only Congress can solve this problem. And, every year that we allow this to continue not only do people face illness, death and financial ruin; but we incentivize the tricks of drug companies and their lawyers, instead of rewarding the innovative, life-saving drugs we all want and need. This hearing brings to national attention the core issue in prescription drug affordability: a broken market that incentivizes the pharmaceutical industry to focus resources on pursuing indefinite monopolies rather than on investing in life-changing innovations. Policy loopholes have allowed drug makers to systematically abuse patent and market exclusivity rules to quell product competition for decades, perpetuating old and low value medicine in favor of investing in innovation.

The quintessential example is AbbVie's Humira, which enjoys <u>nearly 250 patents</u> aiming to delay competition for almost four decades.ⁱⁱⁱ This windfall for AbbVie is disproportionately subsidized by families in the United States. Compared to European countries, over three times as many patents have been filed in the United States for this single drug, and of the \$18 billion AbbVie collected in 2020, *two thirds* came from United States taxpayers.^{iv} Importantly, this tactic is so fruitful that AbbVie is pursuing it with the company's cancer drug, Imbruvica, <u>filing for at 165 patents</u>, at least half of which have been granted.^v

America's families are tired of this kind of predatory and abusive behavior and are calling for action. Across the aisle, more than two-thirds of voters agree that companies charge too much for prescription drugs. Vi The same proportion is worried that Congress won't go far enough to lower the cost of prescription drugs and will continue to allow these excessive charges keeping medicines out of reach for many people. Vii This hearing is a critical step to assure them that Congress is listening, and that change is coming.

For additional details, you can refer to my recent <u>testimony</u> at the May 5, 2021 House Education and Labor Committee's Subcommittee on Health, Education, Labor and Pensions hearing, *Lower Drug Costs Now: Expanding Access to Affordable Health Care*.

Thank you again for taking the time to address an issue that is so critical for so many families. Please contact Jennifer Taylor, Senior Director of Federal Relations (<u>JTaylor@familiesusa.org</u>) with any questions.

Sincerely,

Frederick Isasi

Executive Director, Families USA

ⁱ Kirzinger, Ashley, Lunna Lopes, Bryan Wu, and Mollyann Brodie. "KFF Health Tracking Poll—February 2019: Prescription Drugs." The Henry J. Kaiser Family Foundation. March 01, 2019. https://www.kff.org/health-costs/poll-february-2019-prescription-drugs/.

ii Gill, Lisa. "The Shocking Rise of Prescription Drug Prices." Consumer Reports. November 6, 2019. https://www.consumerreports.org/drug-prices/the-shocking-rise-of-prescription-drug-prices/

iii I-MAK "Overpatented, Overpriced: Special Edition: Humira. October 2020, https://www.i-mak.org/wp-content/uploads/2020/10/i-mak.humira.report.3.final-REVISED-2020-10-06.pdf
iv Ibid.

^v I-MAK "Overpatented, Overpriced: Imbruvica's Patent Wall." July 2020.

vi Sandra Wilkniss, Kimberly Alleyne, and Natasha Kumar, *Affordable Medicines Are Still Elusive: America's Families Want Fair Prices* (Washington, DC: Families USA, December 2020), https://www.familiesusa.org/wp-content/uploads/2020/12/RX-367 Hart-Research-Messaging-Issue-Brief.pdf
vii Ibid.